

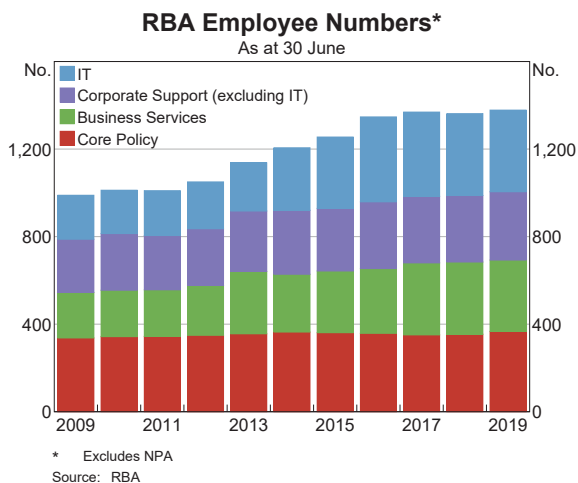
# Our People

The Reserve Bank seeks to attract, develop and retain high-quality people, and to foster an environment where there is a strong focus on behaviours consistent with the Bank's values and risk appetite. The emphasis of this work in 2018/19 focused on: developing employee capabilities in leadership and management; providing greater clarity over position requirements and career opportunities; and ensuring that employees work in a safe and productive environment. Consistent with its values, the Bank also emphasises supporting a diverse and inclusive workforce that is both reflective of, and relevant to, all Australians. This is achieved by raising awareness of issues experienced, ensuring employment opportunities are based on merit and providing flexible work arrangements.

## 2018/19 Workforce Profile

In June 2019, the Reserve Bank (excluding Note Printing Australia Limited) had 1,378 employees. With 8 per cent of employees working part time, the Bank's workforce comprised 1,343 full-time equivalent (FTE) employees. During 2018/19, there was a decline in project resourcing as a number of large projects were completed, but this was offset by an increase in staff to operate and support the new activities and services resulting from these projects. During the year, the Reserve Bank hired 254 employees, of which 67 per cent were recruited on maximum-term contracts.

The graduate and internship programs continue to be an important recruitment channel, particularly in the policy formulation and implementation areas of the Reserve Bank. In 2018/19, these early career programs were supplemented by a number of mid-career hires. In the year to June 2019, the Reserve Bank hired 32 university graduates and 30 interns. These graduates and interns work in



the Bank's policy, business services and corporate support areas and hold degrees in economics, commerce, IT and other professional disciplines.

As discussed in more detail in the Reserve Bank's *Equity & Diversity Annual Report*, the Bank emphasises creating a workplace that is inclusive of all people and respects the individual contributions of all employees.

## Employees of the Reserve Bank<sup>(a)</sup>

	30 June 2018	30 June 2019
<b>Work practices</b>		
– Full time	1,256	1,268
– Part time	106	110
<b>Gender</b>		
– Women	595	600
– Men	767	778
<b>Location</b>		
– Head Office, Sydney	1,208	1,221
– H. C. Coombs Centre for Financial Studies, Sydney	2	2
– Business Resumption Site, Sydney	36	41
– Note-printing facility and National Banknote Site, Craigieburn	67	69
– Canberra Branch	12	12
– Victorian Office, Melbourne	6	4
– Queensland Office, Brisbane	3	3
– South Australian Office, Adelaide	3	3
– Western Australian Office, Perth	3	3
– New York Representative Office	10	9
– European Representative Office, London	9	8
– China Representative Office, Beijing	3	3
<b>Total</b>	<b>1,362</b>	<b>1,378</b>

(a) Excludes NPA; these statistics have not been disaggregated by ongoing and non-ongoing employees since the *Public Service Act 1999* definitions of these terms do not directly apply to employees of the Reserve Bank.

Source: RBA

Initiatives in 2018/19 included raising awareness and highlighting unconscious biases, ensuring appointments and promotions are based on merit, monitoring and addressing wage inequities, promoting flexible work arrangements and developing guidelines to ensure that the workplace is inclusive of people who require temporary or permanent workplace adjustments.

In terms of the Reserve Bank's demographic profile, the median age of Bank employees is 39 years, with almost two-fifths of employees under the age of 35, and the median tenure of employees is five years.

## People and Culture

The Reserve Bank's core values, as set out in its Code of Conduct, help shape the Bank's culture and guide expectations and standards around

workplace behaviour and professional conduct. The Bank's values are as follows.

### 1. Promotion of the public interest

We serve the public interest. We ensure that our efforts are directed to this objective, and not to serving our own interests or the interests of any other person or group.

### 2. Excellence

We strive for technical and professional excellence.

### 3. Intelligent inquiry

We think carefully about the work we do and how we undertake it. We encourage debate, ask questions and speak up when we have concerns.

## 4. Integrity

We are honest in our dealings with others within and outside the Bank. We are open and clear in our dealings with our colleagues. We take appropriate action if we are aware of others who are not acting properly.

## 5. Respect

We treat one another with respect and courtesy. We value one another's views and contributions.

There is a strong focus on these core values in the Reserve Bank, led by the Governor and supported by the Bank's People and Culture Strategy. In 2018/19, three key elements were emphasised to cultivate and empower our employees by:

- developing an integrated approach to employee development
- building a culture of open and constructive communication consistent with our values
- developing solutions that deliver greater productivity and responsiveness to change.

The Reserve Bank will undertake its fourth employee engagement survey in the second half of 2019. The survey is a useful tool for identifying strengths as an organisation as well as opportunities for improvement. The survey will also provide the opportunity to assess the efforts to address issues identified in previous employee engagement surveys, such as improving collaboration, organisational change, decision-making, retention and career opportunities.

Based on the outcomes from the 2017 employee engagement survey, an employee program called 'Speak Up' was initiated, encouraging staff to speak up when they have a different opinion or a concern, and enhancing their understanding of appropriate risk-taking in pursuit of the Reserve Bank's objectives. Another initiative was to develop a 'culture of conversations', to build

management capabilities to have productive performance and career conversations with team members, create a culture of accountability and transparency, and to improve communication and collaboration across the Bank.

The Reserve Bank continued its focus on leadership development and talent management during the year. The Bank ran an Engaging Leaders Program for managers to build capability and confidence in core leadership and people management.

The People and Culture Strategy emphasises ensuring that the talents of employees are fully utilised and developed. On-the-job development opportunities are supplemented by formal training and professional development programs, including:

- an eight-week Internship Program, which provides high-performing university students work experience and training through the completion of an applied research project. This program is an important source of early-career professionals for the Reserve Bank's Graduate Development Program
- a two-year Graduate Development Program, consisting of a range of tailored training programs to develop policymaking frameworks, effective business writing, critical thinking, presentation, communication and negotiation skills. A total of 53 graduates participated in the program in 2018/19
- training as required in technical, management and leadership skills, resilience and other general competencies, such as communication skills
- regular training in the Bank's compliance obligations, including in relation to work health and safety, mental health and wellbeing, fraud awareness and anti-money laundering/counter-terrorism financing

- workshops for all staff on appropriate workplace behaviour.

Development opportunities are provided to employees by facilitating internal rotation programs between different areas of the Reserve Bank and external secondments. The Bank also hosts secondees from other institutions to foster corporate networks and share understanding of best practice. In 2018/19, the breadth of secondment activities increased, involving a wide range of Australian institutions, including the Australian Bureau of Statistics, the Australian Competition and Consumer Commission, the Australian Prudential Regulation Authority, the Australian Treasury and the Commonwealth Department of the Prime Minister and Cabinet, as well as a range of international institutions (see the chapter on 'International Financial Cooperation' for details).

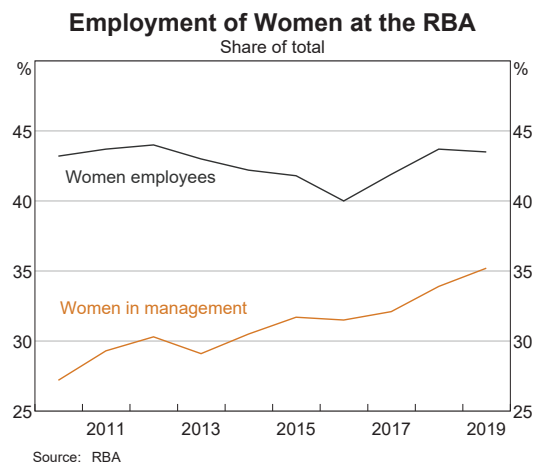
The Reserve Bank encourages employees to develop their skills continually and provides financial support to employees for part-time study in disciplines related to their work, with 64 employees benefiting from this support during 2018/19. In addition, the Bank provided support to 13 employees undertaking full-time postgraduate study at universities in Australia and overseas during this period.

The People and Culture Strategy actively promotes an inclusive work environment. The Bank's Diversity and Inclusion Council and Employee Resource Groups (ERGs) continued to pursue activities and practices that support the Bank's Diversity and Inclusion Plan.

The Reserve Bank actively supports flexible work practices, including part-time work and job-share arrangements. The Bank enables flexible ways of working full time, by supporting changes in work patterns or location, including altering start or finish times, working compressed work weeks,

and working from home or other locations. In the 2017 employee engagement survey, almost 80 per cent of employees reported that they had worked flexibly in some way in the preceding 12 months.

The Reserve Bank has a target of 35 per cent of management positions to be filled by women by 2020, with a longer-term aim of 50 per cent. In support of the target, there is a strong focus on talent management at the Bank, including succession and development planning for both women and men, and measures to ensure diversity of candidates in all selection processes. As at June 2019, women occupied 35 per cent of managerial roles, up from 34 per cent in the previous year. During the past year, 45 per cent of managerial vacancies were filled by women, and 45 per cent of roles at the senior manager level and above were filled by women.



The Reserve Bank actively works to promote economics, finance, mathematics and IT as career options for women. The Public Access & Education team is dedicated to providing learning experiences and information to schools, universities and educators about the economy and the role of Australia's central bank (see the chapter on 'Communication and Community Engagement' for details).

# As at June 2019, women occupied 35 per cent of managerial roles, up from 34 per cent in the previous year

The Reserve Bank continued to fund an internship for Indigenous Australian university students, with five participants in 2018/19. The internship is facilitated by CareerTrackers, a not-for-profit agency that works with organisations to provide work experience, networking and professional development opportunities for Indigenous Australian university students. The internship involves vacation work at the Bank as well as professional development training.

In 2019, the Reserve Bank continued its partnership with My Gateway, an apprentice and traineeship support organisation. Five trainees joined the program, which provides work experience and a nationally recognised qualification to Indigenous Australians. From the 2018 traineeship program, three trainees graduated with Certificate III in Business Administration, one of whom has secured a full-time position at the Bank.

The Reserve Bank also welcomed two tertiary students with a disability through the Australian Network on Disability's 'Stepping Into' internship program and continues to provide long-term employment for individuals with intellectual disabilities through the JobSupport program.

The Reserve Bank raised employees' awareness and involvement in diversity and work health and safety matters by supporting staff participation in external events and hosting guests at the Bank to speak on diversity, inclusion and health-related topics. Diversity events included speakers on

Indigenous Australians, gender and accessibility matters, along with events to mark NAIDOC week, Reconciliation Week, International Day of People with Disability, Harmony Day, Wear It Purple Day, Global Accessibility Awareness Day, National Carers Week and International Women's Day. In addition, the Bank continued to raise awareness about mental health in the workplace, including through RUOK? Day activities, and other initiatives from its newly developed mental health strategy to support the prevention and management of workplace mental health issues.

## Remuneration

The positions of Governor and Deputy Governor are designated as Principal Executive Offices in terms of the *Remuneration Tribunal Act 1973*, which provides for the Remuneration Tribunal to determine the applicable remuneration for these positions. Within the parameters determined by the Remuneration Tribunal, the Reserve Bank Board Remuneration Committee, comprising three non-executive members, makes a recommendation on remuneration for these positions for approval of the Reserve Bank Board, which is the 'employing body' for the positions. In accordance with provisions of the *Reserve Bank Act 1959*, neither the Governor nor the Deputy Governor takes part in decisions of the Reserve Bank Board relating to the determination or application of any terms or conditions on which either of them holds office.

The employment arrangements that apply to Reserve Bank employees vary according to their occupation and level of seniority. Executive and managerial employees are engaged with the Reserve Bank under Individual Employment Agreements. Non-managerial employees are covered by the Bank's Workplace Agreement, although the majority of these employees also have Individual Employment Agreements. Employees covered solely by the Workplace Agreement are typically in administrative positions.

While the specific remuneration arrangements that apply to employees differ according to their employment arrangements with the Reserve Bank, remuneration packages are designed to attract and engage high-calibre employees. The Bank uses surveys such as Financial Institution Remuneration Group and Aon Hewitt for remuneration and benefit benchmarking. In reviewing these data, the Bank compares the benchmarked role's fixed remuneration (salary plus superannuation) with the Bank-offered packages. The Bank's remuneration packages consist of salary, superannuation and benefits that can be taken as cash. In addition, subject to a minimum work time period for the performance year, all employees are eligible to receive an additional lump-sum performance-based payment that is distributed from a pool of 2 per cent of salaries.

The Bank monitors differences in the salaries of male and female employees. This work shows that the gap between the average full-time equivalent salaries of men and women has declined from 16.6 per cent to 13.3 per cent over the past two years. The gap continues to be explained largely by the fact that women occupy a greater proportion of positions at lower levels and a lower proportion of senior positions compared with men. In recognition of this, the Bank has worked to increase the number of

women in managerial positions (as noted in the 'People and Culture' section above).

Remuneration increases are governed by the Reserve Bank's internal Remuneration Committee, comprising the Deputy Governor, Assistant Governors and the Head of Human Resources. This committee reviews and makes recommendations to the Governor on the proposed annual remuneration review outcomes, whereby salary increases are allocated to individuals on the basis of their performance. For the 2017/18 remuneration review, the budget available for the annual salary component was 2.25 per cent of the total salary bill for those eligible employees. This was based on the Workplace Agreement requiring a 2 per cent increase in the salary ranges and a discretionary 0.25 per cent to allow for high performers to be rewarded.

The distribution of remuneration paid to Reserve Bank executives and other senior employees on an accrual basis is set out in the tables below. The provision of this information is consistent with similar information provided by other Commonwealth entities.

## Remuneration of Key Management Personnel

Remuneration received in 2018/19 (\$)(a)

Name	Position Title	Short-term Benefits			Post-employment Benefits	Other Long-term Benefits		Termination Benefits	Total Remuneration <sup>5,6</sup>
		Base Salary <sup>1</sup>	Other Benefits and Allowances <sup>2</sup>	Bonuses and Contributions <sup>3</sup>		Long Service Leave <sup>4</sup>	Other Long-term Benefits		
<b>Reserve Bank Executives</b>									
Philip Lowe	Governor	911,728	–	8,190	116,962	22,881	–	–	1,059,761
Guy Debelle	Deputy Governor	668,595	–	8,190	87,721	22,813	–	–	787,319
Lindsay Boulton	Assistant Governor, Business Services	449,488	8,994	36,443	84,365	11,457	–	–	590,747
Michele Bullock	Assistant Governor, Financial System	505,260	10,088	36,443	95,159	17,231	–	–	664,181
Luci Ellis	Assistant Governor, Economic	447,856	8,993	36,443	84,365	15,276	–	–	592,933
Christopher Kent	Assistant Governor, Financial Markets	504,037	9,731	35,781	93,462	16,912	–	–	659,923
Susan Woods	Assistant Governor, Corporate Services	456,744	2,396	36,443	75,117	11,457	–	–	582,157
<b>Non-Executive Members of the Reserve Bank Board</b>									
Mark Barnaba AM	Member – Reserve Bank Board	–	–	–	–	–	–	–	–
	Member/Chair – Reserve Bank Board Audit Committee <sup>(b)</sup>	96,273	–	–	9,146	–	–	–	105,419
Wendy Craik AM	Member – Reserve Bank Board	76,090	–	–	7,229	–	–	–	83,319
John Fraser	Member – Reserve Bank Board <sup>(c),(b)</sup>	–	–	–	–	–	–	–	–
Philip Gaetjens	Member – Reserve Bank Board <sup>(d),(b)</sup>	–	–	–	–	–	–	–	–
Ian Harper	Member – Reserve Bank Board	76,090	–	–	7,229	–	–	–	83,319
Allan Moss AO	Member – Reserve Bank Board Interim Chair/Member – Reserve Bank Board Audit Committee <sup>(e)</sup>	88,234	–	–	8,382	–	–	–	96,616
Carol Schwartz AO	Member – Reserve Bank Board	76,090	–	–	7,229	–	–	–	83,319
Catherine Tanna	Member – Reserve Bank Board	76,090	–	–	7,229	–	–	–	83,319

## Remuneration of Key Management Personnel (continued)

Remuneration received in 2018/19 (\$)<sup>(a)</sup>

Name	Position Title	Short-term Benefits		Post-employment Benefits		Other Long-term Benefits		Termination Benefits	Total Remuneration <sup>5,6</sup>
		Base Salary <sup>1</sup>	Other Benefits and Allowances <sup>2</sup>	Superannuation Contributions <sup>3</sup>	Long Service Leave <sup>4</sup>	Other Long-term Benefits			
<b>Non-Executive Members of the Payments System Board</b>									
Wayne Byres	Member – Payments System Board <sup>(b)</sup>	–	–	–	–	–	–	–	–
Gina Cass-Gottlieb	Member – Payments System Board <sup>(b)</sup>	56,996	–	–	5,414	–	–	–	62,410
Paul Costello	Member – Payments System Board <sup>(b)</sup>	2,293	–	218	–	–	–	–	2,511
Deborah Ralston	Member – Payments System Board	59,780	–	–	5,679	–	–	–	65,459
Greg Storey	Member – Payments System Board <sup>(b)</sup>	54,703	–	–	5,197	–	–	–	59,900
Catherine Walter AM	Member – Payments System Board	59,780	–	–	5,679	–	–	–	65,459
Brian Wilson AO	Member – Payments System Board	59,780	–	–	5,679	–	–	–	65,459

(a) Remuneration of Key Management Personnel are in relation to the Reserve Bank of Australia entity only

(b) Appointed to the Reserve Bank Board Audit Committee as a Member on 23 July 2018 and as Chair on 8 August 2018

(c) Retired from the Reserve Bank Board on 31 July 2018

(d) Appointed to the Reserve Bank Board on 1 August 2018

(e) Ceased as Interim Chair of the Reserve Bank Board Audit Committee on 7 August 2018

(f) Retired from the Payments System Board on 14 July 2018; reappointed to the Payments System Board on 1 August 2018

(g) Retired from the Payments System Board on 14 July 2018

(h) Appointed to the Payments System Board on 1 August 2018

(i) The Secretary to the Treasury, as a member of the Reserve Bank Board, and the Chairman of APRA, as a member of the Payments System Board, are not remunerated

### Notes

- The Base Salary column is prepared on an accrual basis and includes gross salary earned while working plus annual leave accrued.
- The Other Benefits and Allowances column includes benefits that form part of an individual's remuneration package. This includes, for eligible members of staff, motor vehicle benefits, car parking and health benefits, plus the related fringe benefits tax on these benefits.
- The Superannuation Contributions column is calculated as: contribution amounts for individuals who are eligible for a defined contribution arrangement in a defined contribution scheme; and for individuals who are in a defined benefit arrangement, an amount equal to 15.4 per cent of superannuable salary, plus any employer productivity contributions.
- The Long Service Leave column is calculated as long service leave accrued.
- Total remuneration does not include the cost of revaluing previously accrued leave entitlements and non-superannuation post-employment benefits, which are included in the reported total remuneration of Key Management Personnel in the notes to the financial statements.
- Reported total remuneration for the positions of Governor and Deputy Governor differs from the remuneration determined by the Remuneration Tribunal by the net accrual of leave.



## Remuneration of Senior Executives

Remuneration received in 2018/19 (\$)<sup>(a)</sup>

Total Remuneration Bands	Number of Senior Executives	Short-term Benefits			Post-employment Benefits			Other Long-term Benefits			Termination Benefits		Total Remuneration	
		Average Base Salary <sup>1</sup>	Average Bonuses	Average Other Benefits and Allowances <sup>2</sup>	Average Superannuation Contributions <sup>3</sup>	Average Long Service Leave <sup>4</sup>	Average Other Long-term Benefits	Average Termination Benefits	Average Total Remuneration					
\$0 to \$220,000	4	68,378	1,842	13,913	16,318	3,308	-	-	-	-	-	103,759		
\$220,001 to \$245,000	1	141,978	6,425	29,997	46,031	6,416	-	-	-	-	-	230,847		
\$270,001 to \$295,000	2	99,335	6,434	21,129	23,456	5,451	-	131,264	-	-	-	287,069		
\$295,001 to \$320,000	3	225,148	3,995	34,687	41,677	5,634	-	-	-	-	-	311,141		
\$320,001 to \$345,000	5	238,279	5,082	34,687	44,820	6,498	-	-	-	-	-	329,366		
\$345,001 to \$370,000	5	261,168	5,500	34,454	49,846	7,648	-	-	-	-	-	358,616		
\$370,001 to \$395,000	5	279,671	6,743	34,570	50,394	8,228	-	-	-	-	-	379,606		
\$395,001 to \$420,000	2	304,682	6,406	34,687	56,879	8,988	-	-	-	-	-	411,642		
\$420,001 to \$445,000	3	333,520	6,698	34,687	52,794	10,235	-	-	-	-	-	437,934		
\$445,001 to \$470,000	2	352,125	4,180	34,395	59,398	10,010	-	-	-	-	-	460,108		
\$470,001 to \$495,000	3	368,678	7,515	34,687	67,874	10,248	-	-	-	-	-	489,002		
\$495,001 to \$520,000	3	379,200	6,243	34,600	71,354	12,510	-	-	-	-	-	503,907		
\$520,001 to \$545,000	2	396,455	8,241	34,687	75,509	11,948	-	-	-	-	-	526,840		
\$570,001 to \$595,000	2	448,675	10,176	34,395	80,606	10,945	-	-	-	-	-	584,797		
\$620,001 to \$645,000	1	251,008	5,290	316,493	47,473	6,446	-	-	-	-	-	626,710		
\$695,001 to \$720,000	2	264,483	6,663	379,940	49,239	7,873	-	-	-	-	-	708,198		
\$795,001 to \$820,000	1	270,362	7,275	484,765	49,317	6,698	-	-	-	-	-	818,417		

(a) Each row shows an average figure based on the number of individuals within each remuneration band based on total remuneration earned; a Senior Executive for the purpose of this table is a member of staff holding a position of Head of Department or Deputy Head of Department (or equivalent)

### Notes

- The 'Base Salary' column is prepared on an accrual basis and includes gross salary earned while working plus annual leave accrued.
- The 'Other Benefits and Allowances' column includes benefits that form part of an individual's remuneration package. This includes, for eligible members of staff, motor vehicle benefits, car parking and health benefits; plus the related fringe benefits tax on these benefits. For staff located interstate or overseas, this may also include allowances and accommodation benefits, plus the related fringe benefits tax on these benefits.
- The 'Superannuation Contributions' column is calculated as: contribution amounts for individuals who are eligible for a defined contribution arrangement in a defined contribution scheme; and for individuals who are in a defined benefit arrangement, an amount equal to 15.4 per cent of superannuable salary plus any employer productivity contributions.
- The 'Long Service Leave' column is calculated as long service leave accrued.

## Remuneration of Other Highly Paid Staff

Remuneration received in 2018/19 (\$)<sup>(a)</sup>

Total Remuneration Bands	Number of Other Highly Paid Staff	Short-term Benefits		Post-employment Benefits		Other Long-term Benefits		Termination Benefits		Total Remuneration	
		Average Base Salary <sup>1</sup>	Average Bonuses	Average Other Benefits and Allowances <sup>2</sup>	Average Superannuation Contributions <sup>3</sup>	Average Long Service Leave <sup>4</sup>	Average Other Long-term Benefits	Average Termination Benefits	Average Total Termination Benefits	Average Total Remuneration	
\$220,001 to \$245,000	55	168,374	3,923	18,182	31,532	4,346	-	5,489	-	231,846	
\$245,001 to \$270,000	32	192,303	3,477	18,649	35,069	5,145	-	4,748	-	259,391	
\$270,001 to \$295,000	24	198,974	3,836	36,842	36,584	5,650	-	-	-	281,886	
\$295,001 to \$320,000	9	214,492	3,566	38,732	44,326	5,584	-	-	-	306,700	
\$320,001 to \$345,000	5	176,975	3,843	96,120	32,664	4,933	-	18,807	-	333,342	
\$345,001 to \$370,000	1	124,111	3,985	13,966	41,672	3,136	-	158,614	-	345,484	
\$370,001 to \$395,000	1	94,503	1,826	260,530	17,500	2,375	-	-	-	376,734	
\$395,001 to \$420,000	1	157,685	3,258	202,105	29,951	5,419	-	-	-	398,418	
\$420,001 to \$495,000	2	164,967	3,660	274,284	30,856	7,507	-	-	-	481,274	
\$670,001 to \$695,000	1	175,266	5,193	455,660	32,608	4,428	-	-	-	673,155	

(a) Each row shows an average figure based on the number of individuals within each remuneration band based on total remuneration earned

### Notes

1. The Base Salary column is prepared on an accrual basis and includes gross salary earned while working plus annual leave accrued.
2. The 'Other Benefits and Allowances' column includes benefits that form part of an individual's remuneration package. This includes, for eligible members of staff, motor vehicle benefits and health benefits, plus the related fringe benefits tax on these benefits. For staff located interstate or overseas, this may also include allowances and accommodation benefits plus the related fringe benefits tax on these benefits.
3. The Superannuation Contributions' column is calculated as: contribution amounts for individuals who are eligible for a defined contribution arrangement in a defined contribution scheme; and for individuals who are in a defined benefit arrangement, an amount equal to 15.4 per cent of superannuable salary plus any employer productivity contributions.
4. The 'Long Service Leave' column is calculated as long service leave accrued.